

**Interreg
Europe**



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Cost categories

Part 1



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Programme **manual**

Section 6.1: **eligibility of expenditure**

Section 6.2: **cost categories**

Section 6.3: **preparation costs**

Cost categories

Cost categories	Calculation method
Preparation costs	Lump sum €17,500
Staff costs	Fixed % of the real gross employment cost
Office & administrative expenditure	Flat rate of 15% of staff costs
Travel & accommodation	Flat rate of 15% of staff costs (real cost reporting only in specific justified cases)
External Expertise and Services	Real costs
Equipment	Real costs
Infrastructure and Works	Real costs - for pilots only

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1 Preparation

- costs

What are **preparation costs**



- Costs for the **preparation of the application**
- Lump sum of **EUR 17,500 per project**
- Paid after the **first progress report** approval

To whom?

- Automatically included in the lead partner's budget
- **To be shared with partners** involved in the application preparation
- Distribution among partners should be in the partnership agreement

Example of **preparation costs**



Partner	Preparation costs
LP	17,500
PP2	0
PP3	0
PP4	0

2. **Staff** costs



What are **staff costs**



- Gross employment costs
 - ⇒ Salary payment + Taxes + Social security contributions

For whom?

- Only staff employed by the partner institution and working directly on the project
(not for associated policy authorities)

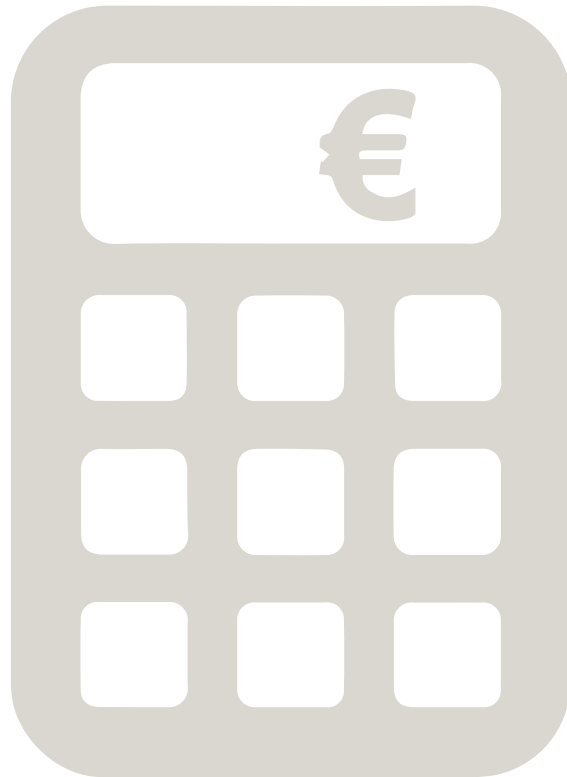
Usually the **largest share** of the budget

Staff costs **calculation**

To draw up the staff budget, **have in mind:**

- **How long** the project lasts
(fixed duration = 4 years + 3 months for closure)
- Which **project activities** will be carried out
- How many **employees** are **needed** to carry out these activities
- Which **percentage of their time** they dedicate to the project activities
- What is their **monthly gross employment cost**

Example of **staff costs calculation**



One partner organisation:

- **Two** staff members with **gross employment cost € 3,500/** employee

1. Employee n°1 working at **60%** on the project

(3,500 * 60% = **€ 2,100** per month)

2. Employee n°2 working at **30%** on the project

(3,500 * 30% = **€ 1,050** per month)

Monthly staff costs for this partner: **€ 3,150**

Project duration (4 years - core + follow-up) = **48 months**

Staff costs budget: € 3,150 * 48 = **€ 151,200**

3. **Office & administrative** expenditure

What is **office & administrative expenditure**



- General administrative expenses of the partner organisation
(office rent, stationery, accounting, postal services, ...)

How much?

- Flat rate - **15% of partner's staff costs**

Automatic calculation in the application form

Example of **office & admin. expenditure**



Partner	Staff costs	Office & admin. expenditure
PPx	151,200	22,680

↘ * 15% ↗

4 ● **Travel & accommodation**

What is **travel & accommodation**



- Travel & accommodation costs of partner organisation's staff
(travel costs, meals, accommodation, visa, daily allowances, ...)

How much?

Option 1: **Flat rate** - 15% of partner's staff costs

Option 2: **Real-costs basis** - only for justified reasons when flat rate is not appropriate (e.g. outermost regions)

Each partner **must choose one option** in the application.

It cannot be changed during the project's lifetime!

Why you should **go for the flat rate**

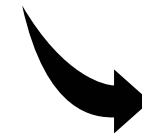
Real simplification:

- Automatic calculation
- Less time spent on the control
 - (No supporting documents required when reporting)
- Recommended option
- 15% flat rate
 - From the Regulation + analysis of costs reported by our projects
- New option
 - Compared to 2014-2020 period

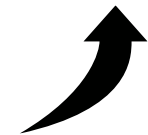
Example of **travel & accommodation**



Partner	Staff costs	Travel & accommodation
PPx	151,200	22,680



*** 15%**



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